#### City of San Diego Office of the Independent Budget Analyst

# MONTHLY SNAPSHOT OF REPORTS AND ACTIVITIES

#### Highlights of Major Reports Issued in the Month of July:

## **Reports Highlighted for** the Month of **July 2010:**

"Civic Center Complex" Report No. 10-63 (7/16/10) Attachment A

### Report No. 10-63 "Civic Center Complex"

The IBA reviewed the revised proposal for a new Civic Center Complex as presented by the Mayor, and provided an analysis based on assumptions by Jones Lang LaSalle (JLL). From this review, our office confirmed that the Revised Civic Center Proposal creates savings of \$40 million over 20 years, as compared to the "Hold Steady" option. Therefore, the IBA recommended moving forward with placing the Civic Center on the ballot in November. We believe this is a fiscally prudent course for the City's future. This recommendation was made, despite the fact that it will further impact the City's General Fund as noted in our discussion on the impact on the Five-Year Outlook. It was important to note that either option, moving forward with a new Civic Center, or the "Hold Steady" option, will require the City to expend substantial resources in the future.

"Proposed Ballot Measure for the November 2, 2010 Municipal Special Election Regarding Employment of the Deputy City Attorneys" Report No. 10-65 (7/23/10) **Attachment** 

"City Redevelopment Housing and **Non-Housing Tax Allocation** Bonds"

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Report No. 10-66 (7/23/10)

We also saw this decision as a choice of expending limited resources on a facility that will meet the City's needs until at least 2025 or on a facility that will need to be torn down in ten years. More importantly, the City has been put on clear notice by reputable experts that the current facilities are sub-standard and, in some cases, hazardous.

On July 19, 2010 the City Council voted 7-1 to place the Civic Center proposal on the November 2, 2010 ballot. This decision was then vetoed by the Mayor on July 29, 2010.

### Report No. 10-65 "Proposed Ballot Measure for the November 2, 2010 Municipal Special **Election Regarding Employment of the Deputy City Attorneys**"

On July 26, 2010, the City Council was asked to adopt an ordinance to submit a ballot measure to the voters for the November 2010 election to amend the City Charter regarding the employment of the Deputy City Attorneys. The measure would amend San Diego City Charter Sections 30, 40, and 117 to establish a good cause requirement for the termination or suspension of Deputy City Attorneys who have served continuously for two years or more. It also provided an exception that any Deputy City Attorney may be subject to layoff due to lack of work or insufficient appropriation to meet the salary requirements necessary to maintain existing personnel.

The IBA previously issued Report No. 10-57 on this matter, and indicated concerns regarding possible impacts of the measure. Language changes were incorporated in to the proposed ballot measure since this item was last discussed by the Council, in part to respond to the issues raised by the IBA.

The City Council voted unanimously to place this You can now follow the IBA at measure on the November 2, 2010 ballot.

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#### Report No. 10-66 "City Redevelopment Housing and Non-Housing Tax Allocation Bonds"

On Tuesday, July 22, the City Council and Redevelopment Agency were requested to approve a number of actions related to the issuance of housing and non-housing tax allocation bonds (TABs) for project areas managed by the City Redevelopment Division. The requested actions authorized five separate bond issuances: one issuance of pooled housing TABs, secured by housing set-aside funds from six different project areas; and four separate issuances of non-housing TABs, secured by non-housing tax increment funds from respective project areas.

The IBA reviewed the backup documentation provided for this item, including Preliminary Official Statements and financial consultant reports, and we support both the Housing and Non-Housing TAB issuances. While we had no significant concerns with the proposed issuances, the item before the Agency and Council was somewhat complex as a result of five distinct bond issuances being brought forward for approval at the same time, each with a different set of financial circumstances. As such, this report supplemented and clarified the backup documentation by providing summary information about each of the five bond issuances.

## Other Reports Issued in the Month of July 2010:

Report No. 10-62 (7/8/10)

"San Diego Local Hire Policy"

Report No. 10-64 (7/16/10)

Attachment 1

Attachment 2

Attachment 3

Attachment 4

"Redevelopment Agency Fiscal Year 2011 Budget"

